



Department of Justice

FOR IMMEDIATE RELEASE
THURSDAY, NOVEMBER 13, 1997

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**TWO MIAMI AREA SCRAP METAL COMPANIES, FOUR EXECUTIVES INDICTED
IN PRICE FIXING CONSPIRACY**

WASHINGTON, D.C. -- Two Miami area scrap metal processing companies and four of their executives were indicted today for conspiring to fix prices and allocate suppliers of scrap metal in the Miami area, said the Department of Justice.

The one-count felony indictment, filed today in U.S. District Court in Miami, charges that Miami-based Atlas Iron Processors Inc. and Opa Locka-based Sunshine Metal Processing Inc. participated in the conspiracy from October 1992 through November 1992.

The following executives were also indicted today:

- Anthony J. Giordano, Sr., Chairman of Atlas;
- Anthony J. Giordano, Jr., Atlas' President and CEO;
- David Giordano, Atlas' Treasurer and Chief Operating Officer; and
- Randolph J. Weil, Sunshine's President.

Scrap metal processors, such as Atlas and Sunshine, purchase various grades of scrap metal from suppliers. The scrap metal is then shredded and sold to customers, typically mills and foundries, who use the shredded product in connection with the manufacture of steel and various metal products.

According to the charges, the two companies and four executives conspired among themselves and with others by

discussing and agreeing upon the maximum prices to be paid to specific suppliers of scrap metal, the maximum prices to be paid for specific grades of scrap, the maximum prices to be paid to suppliers in specific geographic areas of Florida, and the prices to be paid for scrap resulting from the destruction caused by Hurricane Andrew.

Joel I. Klein, Assistant Attorney General in charge of the Antitrust Division, said the charges resulted from an investigation into price fixing and market allocation in the scrap metal industry.

The investigation was conducted by the Antitrust Division's Cleveland Field Office, with the assistance of the Federal Bureau of Investigation's Cleveland Office and the U.S. Attorney for the Southern District of Florida, Thomas E. Scott.

According to Klein, the investigation into the scrap metal industry is continuing.

The maximum penalty for a corporation convicted of a violation of the Sherman Act is a fine of \$10 million, twice the pecuniary gain derived from the crime, or twice the pecuniary loss caused to the victims of the crime, whichever is greatest.

The maximum penalty for an individual convicted of a violation of the Sherman Act is a term of imprisonment of up to three years and a fine of \$350,000, twice the pecuniary gain derived from the crime, or twice the pecuniary loss suffered by the victims of the crime, whichever is greatest.

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